

Now, I ask every Member of this House, is this fully funded health care for life as promised? Does the treatment that Sergeant First Class John Nation received from the U.S. Government qualify as having provided the benefits that he and his family were promised?

John Nation honored his part of the contract. We failed to honor ours. It is time we made good on our promises to the Nation's military retirees; and I urge each and every one of you to support H.R. 3573, the Keep Our Promises to America's Military Retirees Act. 260 Members have now cosponsored this bill so that we may keep our word. It is important that the Federal Government keep its word. You cannot expect retention to improve in the military; you cannot expect that people are going to stay in as a career, when we will not keep our word to them.

Mr. Speaker, this should be one of our top priorities, because it is the right thing for the United States Government to do for the men and women that risked life and limb to defend this Nation.

#### HEATING OIL CRISIS IN NEW YORK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Ms. SLAUGHTER) is recognized for 5 minutes.

Ms. SLAUGHTER. Mr. Speaker, I simply want to bring to the attention of Congress the situation of the people that I represent in Monroe County, New York. Some of them are up there now trying to shovel snow off their roofs. We have the dubious distinction this year of having had more snow than anyplace in the United States, a distinction that we really prefer go to Buffalo or Oswego.

I have an extraordinary number of retired persons as well. In addition to the high cost of prescription drugs, they are now being forced to decide whether they will eat or pay the soaring home heating costs.

□ 1630

The families have seen the price of home heating oil rise on an hourly basis. There has been no way to understand it, to plan for it, or to budget for it. They are upset, and those who are on low and fixed incomes are having to choose again between everything else that they do and heating their homes, which really is not a choice. With the temperatures that we have had this January and February, we have had over 21 days of straight snow this year. There is no option but not to freeze to death.

We have had numbers of truckers who have called us and told us that the extraordinary high rise in diesel fuel, over \$2 a gallon an increase, has made it impossible for many of them even to continue to run their rigs and they

have put them aside until, as Washington says, help is on the way.

I understand what the President said that once this cold snap is over, that we hope that the prices will go down, but in the meantime, I have people who are in severe crisis. I am happy that there is going to be a summit tomorrow on this, but I frankly think that the cautious approach that the White House is taking is too little and too late.

We know that actions will speak louder than words. It is really critical that this year, because this is a debate, as my colleagues have pointed out, that we have year after year, that we do something about it to take care of these permanent needs that the Northeast has for heating assistance. I have joined on to legislation that I hope will do just that this year.

We hate to come every year and talk about how our people again are freezing to death, although I think we are really quite generous in helping when other Members of Congress come to the floor with problems in their district that nature has given to them. But it is really important that we do something about this this time.

Mr. Speaker, I am not sure why the prices have risen. I agree with the gentleman from New York (Mr. CROWLEY) who spoke previously that it needs a good investigation to make sure that at this time when temperatures are low that these costs are not deliberate. It is very important that we look at that.

In the meantime, I would like to urge the President and the Secretary of Energy to really include the action right now of releasing some oil from the strategic petroleum reserve. We must, as I said before, start a home-heating oil reserve in the Northeast so that we can have a long-term solution to this crisis.

One solution may be, as many speakers before me have pointed out, and I know that the President had brought up one year, is that why should LIHEAP money, which is really used for low-income heating, be sent throughout the 50 States and the territories. Might it not be more important that we send it to places where it is needed, and I would like to have that looked into as well. But action and not delay is needed now.

So, on behalf of all of my constituents today who are out trying to shovel off the roof, to make sure that the pipes are not frozen, keeping the heat in the house as low as they can so that they can afford to eat, I want to say to my colleagues and to everyone in this Congress that Mother Nature waits on no one and that quick action is needed for the people of the Northeast.

#### PRESCRIPTION DRUG BENEFITS

The SPEAKER pro tempore (Mr. OSE). Under the Speaker's announced

policy of January 6, 1999, the gentleman from Maine (Mr. ALLEN) is recognized for 60 minutes as the designee of the minority leader.

Mr. ALLEN. Mr. Speaker, Congress is back in session; and while we are resuming our work, we have to attend first to part of the unfinished business of last year. All across this country, seniors are finding it harder and harder to take their prescription drugs, because they simply cannot afford to take the medication that their doctors tell them they must take. They are not following doctor's orders, simply because they cannot afford their medication. We have looked at this issue over the past year, the Democrats have looked at this issue, and are ready to go again, ready to do some work to relieve the problems that seniors and others are facing all around this country.

We need to do two things. First, we need to stop price discrimination against seniors. Second, we need to provide a universal prescription drug benefit under Medicare.

Let us start with what is going on in the real world. In the real world, many seniors are not filling their prescriptions or, when they do, they are taking one pill out of three. However, all across this country, they are finding they simply cannot afford to take the drugs that their doctors tell them they have to take.

Starting in my district of Maine, the First District of Maine and extending all across this country, the Democratic staff of the Committee on Government Reform has done a series of studies. The first of those studies which I released in July of 1998 show this: on average, seniors pay twice as much for their medication as the drug company's best customers. Well, who are the best customers? They are HMOs, big hospitals, and the Federal Government itself buying prescription drugs for Medicaid recipients or for the Veterans' Administration. Twice as much. Seniors pay twice as much as the drug company's best customers.

Second, a study first done in October of 1998 and now replicated around the country revealed that citizens in Maine and across the country pay 72 percent more than Canadians and 102 percent more than Mexicans for the same drugs in the same quantities by the same manufacturer.

A third study that I released in November of 1999 showed that when drugs are manufactured for human use and sold to pharmacists, the charges are, on average, 151 percent more than when the same drug is sold to veterinarians for animal use. Any way we look at it, there is rampant price discrimination in this country against seniors and all of those other Americans who do not have coverage for their prescription drugs. The industry has engaged in this widespread price

discrimination because frankly, what they are trying to do is to charge whatever the market will bear. So seniors, who have no insurance for their prescription drugs, pay the highest prices in the land because they have no bargaining power.

Mr. Speaker, as I said, we have to do two things. We have to stop price discrimination, and we have to provide a universal prescription drug benefit under Medicare. As one can see from this chart to my right, seniors are 12 percent of the population, but they buy 33 percent of all prescription drugs. Mr. Speaker, 37 percent of all seniors have absolutely no coverage at all for prescription medications. Another 25 to 30 percent have very inadequate coverage for their medications, so 60 percent or more are really struggling simply to take the medications that their doctors tell them they have to take.

Now, let us contrast the situation with the pharmaceutical industry. The pharmaceutical industry is the most profitable industry in the country. Every year, the *Fortune* magazine shows which industries are the most profitable, and every year by every measure it is the pharmaceutical industry. Just to give my colleagues one example, in terms of return on revenues, the pharmaceutical industry brings in 18.5 percent, on average. That is an average for those 10 or 12 pharmaceutical companies. The next most profitable industry comes in at 13.2 percent, a 40 percent plus difference.

In short, it comes down to this: the most profitable industry in the country is charging the highest prices in the world to those least able to afford it, primarily our seniors who do not have prescription drug coverage under Medicare. We aim to change that in two ways.

The Democrats tomorrow will begin a discharge petition to bring to this floor two bills, H.R. 664, the Prescription Drug Fairness for Seniors Act, and H.R. 1495, which would provide a Medicare prescription drug benefit. Here is what the Prescription Drug Fairness for Seniors Act does. This bill is very simple. It would allow pharmacists to buy drugs for Medicare beneficiaries at the best price given to the Federal Government. Remember, we were talking about that price discrimination, and this is the way to end price discrimination. It would give senior citizens the benefit of the same discount received by hospitals, big HMOs, and the Federal Government. It does not involve any significant increase in government spending. It creates no new bureaucracy.

Mr. Speaker, I can tell my colleagues that the pharmaceutical industry does not want this to happen, just as the pharmaceutical industry does not want a prescription drug benefit under Medicare. They will run TV ads saying they do, but they have helped to fund a

group called the Citizens for Better Medicare which says seniors need a benefit, but I can tell my colleagues the pharmaceutical industry is blocking every effort to improve Medicare, to strengthen Medicare, to make sure that our seniors get what they need, which is coverage under Medicare and a prescription drug benefit.

I found that in my district, many seniors are confused when they get these Citizens for Better Medicare mailings. They think this is a group trying to improve our health care system, trying to extend coverage, but it is not. The fact is, it is a group that is funded by the pharmaceutical industry. They ran all of those ads featuring Flo last year, and now in some areas Flo is back. But over and over again the industry is the obstacle. We really can support one of two groups. One can line up with the pharmaceutical industry, or one can line up with our seniors.

Mr. Speaker, for H.R. 664 we have over 140 cosponsors in the House. Unfortunately, not one Republican has stepped forward. Not one Republican will support this legislation to give a discount to seniors who are already in a Federal health care plan called Medicare which does not provide prescription drug coverage, and all we are saying is give them the same break that hospitals get, that HMOs get, that the Veterans' Administration gets. That is all we are saying. Seniors deserve a break on the price of their prescription drug medications.

Mr. Speaker, I am pleased that so many of my colleagues have come here tonight to speak on this issue. I want to begin by yielding to the gentlewoman from California (Ms. WOOLSEY).

Ms. WOOLSEY. Mr. Speaker, I would like to thank the gentleman from Maine (Mr. ALLEN) for doing such a great job, in providing leadership in helping seniors get the medicines they need and to get them at fair prices. The gentleman is outstanding. Thanks a lot.

Mr. Speaker, prescription drugs are not affordable to the people who need them the most, and that is our seniors and other people on Medicare. That is not acceptable, point-blank, unacceptable. For many seniors, prescription drugs for arthritis, diabetes, high blood pressure and heart disease are simply a fact of life or death. However, because of the high cost of prescriptions, many seniors are forced to choose between buying food and buying medicine. That is not right.

In the case of Ivera and Roy Cob, residents of my district, paying for the prescriptions that they both need is impossible. So, Roy goes without some of his medications, medications he also needs, but he does that because he believes Ivera needs her medications more. They cannot afford his and hers. Seniors like Roy and Ivera should be deciding how much time to spend with

their grandkids, not deciding who is going to get the medications they need to survive.

One reason many seniors cannot afford the drugs they need is because as the gentleman from Maine told us, the Nation's largest drug companies favor HMOs, insurance conglomerates, and government buyers with negotiating power, those who pay much less for prescription drugs, while many, many seniors on Medicare pay much higher prices for the same drugs.

According to a study I requested of the House Committee on Government Reform, seniors in my northern California district are being overcharged for the drugs they need to survive. In Sonoma County, California, seniors pay, on average, 145 percent more for the commonly used drugs than the favored customers pay. That is 145 percent more. In Marin County, California, just south of Sonoma, also my district, seniors pay 137 more.

Take, for example, Zocor, a drug used to lower cholesterol. Favored customers pay \$35 for a dosage, but Sonoma County seniors pay \$119, a price difference of 242 percent. That is outrageous.

The Republican leadership must stop dragging its feet and enact a meaningful prescription drug benefit for our seniors, a benefit that eliminates price discrimination. Our seniors do not have time to wait for the Republicans to play their political games. They need their medications and they need them now.

Mr. Speaker, tomorrow I will join my colleagues in signing a discharge petition to bring prescription drug legislation to the floor. The longer the leadership stalls, the less time one more child will have to spend with grandma or grandpa. Providing a prescription drug benefit and eliminating price gouging is a big job. It is a job that we must do, because treating our seniors with respect is our responsibility.

It is time for the majority leadership to step up to the challenge and give our seniors a break. It is a small measure for them to have prescription drugs that they can afford, but it is a measure that does not even compare to what they have done for us.

□ 1645

I thank the gentleman for making this possible tonight.

Mr. ALLEN. I thank the gentlewoman from California for her leadership on this issue.

Mr. Speaker, I yield to the other gentlewoman from California (Mrs. NAPOLITANO).

Mrs. NAPOLITANO. Mr. Speaker, I thank the gentleman from Maine (Mr. ALLEN) for yielding time to me.

Mr. Speaker, I stand here today to further address the urgent need for decent prescription drug coverage for America's elderly citizens. Prescription drugs help keep our seniors well

and they help hold down the cost of medical care in America. Many of these drugs, such as the blood pressure and cholesterol medication, serve as the valuable ounce of prevention, saving lives, cutting medical treatment costs.

The need for prescription drug coverage has always been a major priority among senior citizens. Now, with the steep increases in prescription drug costs and the growing importance of these drugs in preventing and treating diseases, the need for prescription drug coverage for all Medicare beneficiaries is more important than ever.

Opponents of a Medicare prescription drug plan would say that most Medicare beneficiaries already get prescription drugs through other sources, and therefore, they do not need the government's help. However, we do know that the Medicare program generally does not cover prescription drug costs. It is estimated that over 13 million Medicare beneficiaries have no prescription drug coverage.

Opponents of a Medicare prescription plan claim that Medicare beneficiaries get their prescription drugs from retiree health plans. However, there is only a very lucky few, about one-quarter of these, that have access to employee-sponsored retirement plans.

Opponents of the prescription drug benefits state that many seniors may also purchase drug coverage through a Medigap prescription drug policy. However, these are very expensive. Depending on the State, the premium could run from \$100 a month up. These costs increase substantially with age, as drug coverage under this plan becomes priced out of reach. The burden particularly affects women, who make up 73 percent of those over age 85.

Opponents would say that if seniors want prescription drug benefits, they should enroll in a Medicare HMO. However, they are not available in all parts of the country. In addition, the Medicare+Choice plans limit coverage to \$1,000 or less for each beneficiary per year.

Recent studies also show that seniors who buy their own medicine because they do not belong to HMOs or have additional insurance coverage are paying twice as much on average than HMOs and insurance companies, Medicaid, Federal health programs, and other purchasers. Pharmaceutical companies are charging competitive prices that are tantamount to price discrimination against our seniors.

These seniors, Mr. Speaker, live on fixed incomes. They either have to choose between food, oil to warm up, or to medicate themselves to be able to live. They cannot afford to take the drugs that their doctors prescribe them, and they stretch, as we have heard, many different ways, or they do not take them.

We should not force them to choose between paying for food, paying for

heating costs, or paying for medicine. We cannot afford not to cover drug prescriptions. What we will save as a result of seniors' access to these medicines is going to exceed the cost that may be incurred as a result of debilitating illnesses that seniors will suffer if they cannot get these drugs.

We must stop this price discrimination. We in Congress cannot continue to stand by and see our elderly, our seniors, mentors, and family members suffer. Let us enact an effective Medicare prescription drug benefit and support H.R. 664 offered by the gentleman from Maine (Mr. ALLEN).

Mr. ALLEN. Mr. Speaker, I thank the gentlewoman very much for all her good work on this issue.

I yield to the gentlewoman from Oregon (Ms. HOOLEY), who has been a real leader on this particular issue and has felt the efforts, I guess I would say, of the pharmaceutical industry to stop her from speaking out. But she is back. We are glad she is here.

Ms. HOOLEY of Oregon. I am back. First of all, Mr. Speaker, I want to thank my friend and colleague, the gentleman from Maine (Mr. ALLEN), for all the work he has done in the leadership. Right now I do not think there is a bigger issue facing seniors in Oregon and elsewhere in the United States than prescription drugs.

Two months ago, Mr. Speaker, a massive ad campaign was undertaken in the Portland media market attacking me for defending senior citizens who cannot afford the high cost of prescription drugs. The ads were paid for by Citizens for Better Medicare, a group that looks grass roots, an organization that claims to be representing interests of patients and seniors, but as we all know, looks can be deceiving. In reality, this ad campaign was primarily funded by the pharmaceutical companies.

Mr. Speaker, let me set the record straight, I do not want to get in a shoving match with the pharmaceutical industry. These companies spend tens of millions of dollars to develop cures for diseases, and we should take great care to work with them and help them make these essential medicines more affordable for our seniors and working families.

But in that same light, I am not going to let multi-million dollar ad campaigns prevent me from doing something in this Congress to act on this issue.

As Members can see, I have heard from a lot of people in my district. This is just part of it. I could not carry it all over. Some of it is in my Oregon office. People have sent me letters. They have sent me copies of their drugs. I want to tell the Members something, in many cases they are paying 50 percent of their take-home income that is being spent on prescription drugs. They are demanding some kind of relief in Washington, D.C.

This is just a month's worth of receipts from Harry Percy, a constituent of mine in Salem, Oregon. He had to pay over \$200 this month for prescription drugs, even though he is enrolled in a health maintenance organization. The sad thing is, Mr. Percy is not any different from the thousands of other seniors I have talked to, or from the hundreds of letters that we see here.

At my request, the staff of the Committee on Government Reform recently conducted a study to determine how much more people like Harry Percy in the Fifth Congressional District in Oregon are paying for their medication than customers are paying in countries like Mexico and Canada.

I requested this study because I found out that a lot of my seniors were going to Canada to buy their drugs. I was surprised to learn that in the Fifth Congressional District of Oregon, they pay 83 percent more for the same drugs than consumers in Canada, and they pay 82 percent more, on average, for prescription drugs than Mexican consumers. These are the same drugs, the same amount, sold by the same pharmaceutical companies.

For example, an uninsured senior in my district who had to take Prilosec to treat an ulcer must pay over \$80 more than in Mexico or \$86 more than in Canada for that same drug. I also did a study, a comparison of how much those uninsured seniors paid compared to the most favored customers that the drug companies sell to. In that case, they paid almost twice as much as their favored customers.

We have to change this. Congress is having a hard time agreeing on how to make such an effort work. We need to work together, but lately the big drug companies have been getting into the mix. What they are trying to do is scare seniors into thinking that prescription drug costs will rise if the government tries to help those seniors in the middle. Yet, we know that over one-third of seniors have no prescription drug coverage, so they must pay for their medication with their own limited resources.

As I stated earlier, they have made remarkable progress in finding new drugs, in helping people live a better life, but it does not do any good if they cannot afford to take those drugs. Seniors I know that do not take the drugs that have been prescribed to them live in pain and discomfort. Many times, if they do not take them they end up in a nursing home, or the worst case, a hospital, or they die prematurely. They also suffer anxiety and depression over the fact that they have a hard time paying for their medication.

American seniors should not pay the highest prices in the world for their prescription drugs. Frankly, it is unfair, it is wrong, and it is time for this Congress to act.

For any of my constituents that happen to be watching this, they can rest

assured that I will remain committed to making prescription drugs more affordable and accessible. Tomorrow I will also sign the discharge petition to try to get this bill on the floor of the House.

I know we can reach a solution through reasoned debate and bipartisan compromise, but it is time for Congress to act to assure that no older American anywhere has to choose between buying medicine or food, between paying their heating bill or their drugstore account, or between taking their medicine or living in pain and anxiety.

Again, I thank the gentleman for his effort. He has been a great leader.

Mr. ALLEN. Mr. Speaker, I thank the gentlewoman from Oregon (Ms. HOOLEY) very much. I appreciate all she has done.

Mr. Speaker, I yield to the gentlewoman from the great State of Nevada (Ms. BERKLEY), a short way down.

Ms. BERKLEY. Mr. Speaker, I thank the gentleman from Maine for helping us highlight this issue, which is very important to me.

As the gentlewoman from Oregon (Ms. HOOLEY) alluded to, I was also unmercifully attacked by the pharmaceutical companies. It has only made me more resolute in my desire to provide relief for my older Americans who simply cannot afford the high cost of prescription medication. I quite agree with the gentlewoman when she states, what is the point of being able to create these wonderful miracle drugs if we cannot afford to take them? That is a serious problem in my district.

I rise today in strong support of including a prescription drug benefit in Medicare. I am also in favor of lowering the high cost of prescription drugs for older Americans. As a cosponsor of both H.R. 664, the Prescription Drug Fairness for Seniors Act, and H.R. 1495, the Access to Prescription Medications in Medicare Act, I believe Congress must act now to ensure that our Nation's seniors have access to affordable prescription drugs.

Why is this issue so important to me? Because I have the fastest growing senior population in the United States in southern Nevada. Each week when I return to southern Nevada, I hear story after story from seniors experiencing great difficulty paying for their prescription medications. They are asking for relief. They are begging for relief.

In particular, one constituent's story resonates in my mind. I would like to share that with the gentleman. Sister Rosemary Lynch is an 83-year-old Franciscan nun in my hometown of Las Vegas who is currently taking multiple prescription drugs to treat glaucoma, high blood pressure, and severe allergies. Every month she struggles to pay for these costly medications.

Sadly, she is not alone. Unfortunately, there are 14 million other Medicare beneficiaries in our Nation with

no prescription drug insurance. Last spring, I asked the Committee on Government Reform to investigate prescription drug price discrimination in the congressional district that I represent, which is the First Congressional District in Nevada.

I was appalled, I was appalled, to discover that the evidence showed that seniors are charged 126 percent more for their prescription drugs than are drug companies' most-favored customers. Who are those? The HMOs and the Federal government.

In addition, a second study showed that Nevada seniors pay more than 90 percent more for prescription medication, the exact same medication, mind you, that seniors pay for in Canada and Mexico. The result of this is that I have many, many senior citizens who live in Las Vegas, Nevada, live in southern Nevada, live in Henderson or north Las Vegas, that travel all the way to Mexico in order to be able to afford the prescription medication that their doctors in southern Nevada are prescribing.

I have made a firm commitment to the seniors in my district, the seniors in the United States, and now Congress must make a firm commitment to our seniors, as well, and pass a comprehensive prescription medication benefit for all Medicare beneficiaries.

Tomorrow I will be standing here proudly signing the discharge petitions to urge consideration of the prescription drug bills of which I have spoken. It is my hope, it is my fervent hope, that the leadership in Congress will bring these proposals to the floor so that all seniors can have access to affordable prescription medication.

Mr. ALLEN. Mr. Speaker, I thank the gentlewoman from Nevada very much.

I yield to the gentleman from Texas (Mr. TURNER), who with the gentleman from Arkansas (Mr. BERRY) and me is a co-chair of the Prescription Drug Task Force. No one has worked longer or harder on this issue to try to get some fairness for seniors, trying to stop price discrimination and get to a Medicare benefit. I thank the gentleman for being here tonight.

□ 1700

Mr. TURNER. Mr. Speaker, it is a pleasure to be here with all of the Members who have spoken on this issue. I really do appreciate the fact that we have this hour to talk about this very important issue. It has been almost 2 years since we first addressed the problem of discriminatory pricing in drugs, the problems of lack of access to prescription drugs at affordable prices. I appreciate the leadership the gentleman has given, as well as the leadership of the gentleman from Arkansas (Mr. BERRY) here tonight on the floor next to me from Arkansas, and on my left the gentleman from Mississippi

(Mr. SHOWS), who has filed a discharge petition. That is why we are here tonight talking about this issue, because tomorrow we are going to have for the first time an opportunity to get a chance to bring this issue to the floor of the House of Representatives.

After these many months of collecting support, of cosponsors, I believe we have close now, with over 140 Democrats who have joined wanting to do something about the high price of prescription drugs. Tomorrow we will have that chance by joining and signing the discharge petition that will bring the bill that the gentleman from Maine (Mr. ALLEN), the gentleman from Arkansas (Mr. BERRY), and I introduced back almost a year ago, as well as the other bill to provide a prescription drug benefit under Medicare.

This issue hits very close to home for all of us. I know in my district, I have 84,000 senior citizens, the highest number of seniors in any congressional district in Texas. I hear from them. We saw the gentlewoman from Oregon (Ms. HOOLEY) bring to the floor a stack of letters. I have a similar stack. Seniors are concerned about the problem of the high price of their prescription medications.

Just to give an example, I visited with a lady over a year ago in a pharmacy in Orange when we were going around talking about this issue initially, Ms. Frances Staley. She is 85 years old. Mrs. Staley is blind. She is a beautiful lady. She spends about half of her \$700 Social Security check every month just on her prescriptions. That is her sole source of income, Social Security.

I had a letter from Billy and Joe O'Leary. I have met them and know them well and they wrote, they live down in Silsbee, they spend \$400 a month for eight prescription medicines.

I want to read just a little section from the letter that they sent to me. It really makes a whole lot of sense. We hear this cry from the big drug manufacturers that, oh, well, we cannot do anything about drug prices or we will not have any money for research. Well, none of us want to cut off funds for research in the pharmaceutical industry. We have a lot of new drugs that have come on the market, done a lot of wonderful things but here is what Mr. and Mrs. O'Leary had to say about it in their letter to me. They said, what good is research and finding cures for disease if a large part of our population cannot afford the medicine for the cure?

That is the bottom line. We have to be sure that our seniors have access to affordable prescription drugs.

Archie and Linda Davidson of Vidor, Texas, have spent more than \$3,500 in the last 6 months just for their prescription medicines.

I had a nice visit with a gentleman down in Hull in Liberty County, Texas,

a few months ago; and he came up to me, and this is hard to believe, but he has told me, he said, my wife and I both have a lot of prescription medicines we have to take every month. He says, it costs us \$1,400 a month. Now, I do not know how long the gentleman from Hull can pay that kind of cost; but the truth is, everyone that has had to buy prescription medications knows that the prices are higher and higher and higher every month that passes.

This is, indeed, a national problem, and I think that it is time that we do something about it.

Let us look at the big picture. Senior citizens spend three times as much of their income on health care as compared to that which is spent by the average American. The elderly, who are 12 percent of our entire Nation's population, purchase one-third of all prescription drugs and yet nearly 40 percent of all senior citizens have no prescription drug coverage.

One in five of our elderly citizens takes at least five prescription drugs a day, and more than 2.2 million seniors spend more than \$100 a month for medication and many pay much more.

The bottom line is, senior citizens in our country today are paying the highest prices for prescription drugs of anyone in our society. The studies which the gentleman from Maine (Mr. ALLEN) did, the gentleman from Arkansas (Mr. BERRY) did, the gentleman from Mississippi (Mr. SHOWS) did, and many of the others that are here, show indisputably that senior citizens pay on average twice as much as the favored customers of the big drug manufacturers.

The favored customers are the big hospital chains, the big HMOs. Those are the folks who are getting the good deals and our senior citizens, without prescription drug coverage, who walk into their local pharmacy, are paying twice as much as those favored customers. That is just not right.

When we did the international study, we found that folks in the United States are paying over twice what the folks in other industrialized countries around the world are paying. We have to do something about this problem. We have to do something about it soon, and tomorrow is our first opportunity to sign the discharge petition, which is a procedure that we use around here to force an issue to the floor that we feel strongly about.

I thank the gentleman for the leadership he has given, the gentleman from Maine (Mr. ALLEN), on this critical issue.

Mr. ALLEN. Mr. Speaker, I thank the gentleman from Texas (Mr. TURNER). He summarized this issue very, very well.

If I could just add one other point. The situation gets worse year by year. If we think the situation is bad now, spending on prescription drugs is going up 15 to 18 percent year after year after

year. The problem on average will be 15 to 18 percent more a year from now than it is today. Think about those seniors that the gentleman from Texas (Mr. TURNER) was talking about. They are a part of the biggest health care plan in the country. It is called Medicare. The way the law works now, it is okay for the Veterans Administration to get a discount. It is okay for the medicaid program to get a discount. It is okay for big HMOs and hospitals to get a discount, but it is not okay for people who are Medicare beneficiaries, who have worked hard all their lives, played by the rules, now they are in a Federal health care plan called Medicare and they cannot get a discount under existing law.

That is what we are trying to do, trying to stop price discrimination and provide a prescription drug benefit under Medicare that will cover all Medicare beneficiaries.

I want now to turn to the gentleman from Colorado (Mr. UDALL). He, too, has been the object of attack from the pharmaceutical companies. I have to say that I hope that conveys to the constituents in his district how hard he has been working on this issue that they would single him out for attack.

We are very pleased to have the gentleman here tonight and I yield some time to him.

Mr. UDALL of Colorado. Mr. Speaker, I thank my colleague, the gentleman from Maine (Mr. ALLEN), for yielding to me. I thank him for his leadership on this very important issue.

Mr. Speaker, Juanita Johns is one of my constituents back in the Second District in Colorado, and she told me she used to keep her thermostat at 60 degrees so she could pay her drug bills. In addition to that, a few times a week she would visit the food bank so she could eat, and eventually she sold her house and moved in with her son so she could afford her medicines.

Now this is intolerable. Seniors should not be forced to make that kind of decision between buying food or buying their medicine or paying their utility bills. Her story, Juanita's story, is one of many that I have heard from seniors in my district.

I, too, had a study done by the House Committee on Government Reform that found that seniors in my district who pay for their own prescription drugs pay more than twice what the drug companies' most-favored customer, such as HMOs and the Federal Government, pay.

It is clear that rising prescription drug prices and eroding coverage are squeezing seniors' incomes. My colleague, the gentleman from Texas (Mr. TURNER), mentioned that seniors make up 12 percent of the population, but they use one-third of all prescription drugs. They have the greatest need for these drugs, but they often do not have

adequate insurance coverage to pay for them. That adds up to more than 15 million seniors in our Nation who do not have any sort of drug benefit.

As the gentleman from Maine (Mr. ALLEN) mentioned, Medicare's basic package does not include it. Employers are scaling back or dropping retiree health coverage, and premiums for supplemental medigap policies and drug coverage has in many cases reached unaffordable levels. That is why I am a strong supporter of H.R. 664, the Prescription Drug Fairness for Seniors Act.

This simple and important piece of legislation would end unfair drug pricing discrimination and could save seniors up to 40 percent of their drug bills.

It is hard to understand why anyone would be against making prescription drugs more affordable, but during the winter recess, as the gentleman referenced, a group called the Citizens for Better Medicare ran attack radio and TV ads against me because of my efforts to help seniors fill their medicine cabinets with affordable, lifesaving medications. It struck me that it was an Astroturf campaign that was designed to look like a grass-roots initiative; but it was really intended, in my opinion, to protect the profits of the pharmaceutical companies, scare seniors, and spread misinformation.

As the gentleman remembers, these ads confused H.R. 664 with President Clinton's proposal to have Medicare directly cover seniors' drug costs. The ads had a toll-free number for seniors; and when the seniors called the phone bank, then the operator asked them if they would like to be connected to my office, and then they were directly connected to my office.

Oftentimes when the seniors reached my office, they did not know who they were talking to or really what was going on. It also served the purpose of tying my office up for an entire week. I received thousands of telegrams in addition to these phone calls.

To summarize, it was really a classic bait and switch kind of campaign, where the ads attacked me for being on the bill of the gentleman from Maine (Mr. ALLEN), but all of the communication my office received was about the President's proposal.

Now I have not expressed a position on the President's proposal; but, however I, do support a Medicare prescription drug benefit that is fiscally responsible and fair.

Needless to say, this ad campaign did not wash with Coloradans.

I want to quote from a couple of newspapers. An editorial in the Denver Post described the ads as "vicious and outrageous untruths." The Boulder Daily Camera called these ads "a vaguely worded and deceptive advertising campaign." Thankfully, many people saw through this well-organized campaign and called my office to offer their support.

I looked with interest last month at the news that the drug companies are dropping their opposition to creating this drug benefit under Medicare. The change in their rhetoric is significant. It shows they realize there is a problem and they are willing to work with the Congress on a solution. As I think many of the previous speakers mentioned, we all here have been supportive of the research and development tax credit so the pharmaceutical companies can find these lifesaving medications, but we also feel that there ought to be fair pricing.

There will be plenty of time for politics later this year. I am not interested in playing politics with this issue, and I do not think the 15 million seniors who do not have prescription drug benefits want to play politics, either. I am looking for solutions. Let us end this price discrimination. Let us provide universal prescription drug coverage for seniors. People like Juanita Johns in my district and people all over the country are counting on us.

I again thank the gentleman from Maine (Mr. ALLEN) for his leadership on this issue.

Mr. ALLEN. Mr. Speaker, I want to thank the gentleman from Colorado (Mr. UDALL) for all his good work on this issue.

I would like now to turn to the gentleman from Mississippi (Mr. SHOWS). The gentleman from Mississippi (Mr. SHOWS) may be a freshman, but he has been an early and enthusiastic supporter and is now the author of the discharge petition on H.R. 664, which all of us have been working on so hard. I am just very pleased that the gentleman is going to be the sponsor of this discharge petition on the bill; and I trust that a very large group from this caucus, the Democratic Caucus, will come in tomorrow and sign that discharge petition and try to get this bill to the floor over the opposition of the Republican leadership; because the fact remains, as urgent as this problem is, we do not have one single Republican as a cosponsor of H.R. 664, and there is absolutely no indication that the leadership would bring this bill to the floor or bring to the floor a bill that would provide a Medicare prescription drug benefit for all Medicare beneficiaries.

Mr. SHOWS. Mr. Speaker, I want to thank my friend, the gentleman from Maine (Mr. ALLEN), for yielding.

Mr. Speaker, I am hoping they are going to have a vision when this discharge petition comes to the floor because I think when their seniors start calling them about whose side are they on, are they on our side or the pharmaceutical side, I believe they are going to have a vision that they need to get on our side and sign this discharge petition, because I guess so many of us, in my district, and I live in Jeff Davis County in the Fourth Congressional

District in Mississippi, and we have so many people that they do not have the means to buy their medication.

One of the problems we have, we have a lot of high unemployment in Mississippi right now. In my congressional district, and I am putting this in perspective in the cost of these prescription drugs, we have lost somewhere around 4,000 jobs because of NAFTA. They are in Mexico right now. Our problem, we have a lot of people who do not have the money to buy these drugs. I can give an instance from around every corner. We have a Ms. Bruce who used to live by herself in Clinton, Mississippi. She enjoyed all the freedoms of being a senior, except when it came time to buy her prescription medicine, which absolutely forced her from living by herself independently to moving in with her daughter.

□ 1715

She pays hundreds of dollars each month for prescription medicine while living on a fixed income. She told me that if it was not for her daughter, she did not know exactly what she would do. And what she worries about and what she is concerned about, I say to the gentleman from Maine (Mr. ALLEN), is what about some of these seniors who do not have family to help take care of them? It is a crying shame.

My own mother-in-law who, if it was not for my wife and my brother-in-law's helping to take care of her, would be in the same situation. Mr. Speaker, she feels a burden on her daughter for having to do this. She should not have to be doing this.

The bad thing about it, she is having more visits to the hospital, so her costs may increase because of more medication she may have to take. I can think of no other issue that needs to be addressed more than the costs of medicine to our seniors.

Because of Ms. Bruce and millions of others like her not only in Mississippi but the seniors across this country, that is the reason we are going to file this discharge petition February the 16. Because of the job that you have done, I say to the gentleman from Maine (Mr. ALLEN), we would not have the opportunity to do that.

I thank you personally for that, not only for myself, but for the millions of Americans in this country.

Mr. Speaker, I filed a discharge petition to force a vote on H.R. 664, the Prescription Drug Fairness for Seniors Act. I do not think we can wait. I do not think our seniors can wait any longer for this to happen.

I am like a lot of other Congressmen in my district. We went back and we did a survey of all of our drug stores and I know this may be repetitive and a lot of other people might have talked about it, but I am finding the same numbers that the other Members on

the Democratic side are finding. We are finding disproportionate costs for people in America, in Mississippi, in buying prescription medicine. It is more expensive than purchasing them in Mexico, Canada, or Europe or even the HMOs.

Mr. Speaker, I can give you a for instance. In Collins, Mississippi, when we were doing our bus tour, we had an audience, a lot of people, a lot of them were seniors, and this elderly man and woman came in, the gentleman had a cane and his wife was there helping him in the room. He got in there and I referred him to Annette, who handles some of our Social Security cases and so on.

I noticed, I looked at him, within a few minutes, he was crying, I say to the gentleman from Maine (Mr. ALLEN). The man was crying. His wife, she was trying to support him. He went to the hospital.

Here is a man that probably fought in World War II and probably lived through the Depression, went through the hardest time this century has ever seen to make sure our country is free. Now he is having another war, and that war is trying to pay for his prescription medication and his health care.

What had happened when he went to the hospital, he lost his insurance. He was late on paying the insurance bill. He could not pay. Then after they were given the bill 3 times, they had to turn them over to the credit bureau, the collection agency.

And to add insult to injury, he cannot even afford his prescription medication. This gentleman does not know what to do. I mean, he is depressed. He does not really know where to go. Where can he go?

He ought to be able to come to us and try to get some help trying to make sure these affordable costs should be affordable.

We can go to Ellisville, Mississippi, there is a Don Skoggins of Skoggins Drug Store there in Ellisville, Mississippi. And I had a lady come in there, she was on Medicare. And her problem was she has been totally disabled. She heard what we are talking about. She said her medication costs her \$700 a month, \$700 a month, her income is \$399 a month.

She told me if it was not for her sons and daughters taking care of her, there was no way she could even buy her food. And this can go on. I know we have all our stories, but this is the reason we are trying to do this.

Everybody says this is not the way to do it. This is the way to do it. The way I look at it, we are using 39 million people in Medicare as a leverage to negotiate a better price for the prescription medicine, just like the Wal-Marts do, just like the Rite-Aids do, just like the Federal Government does with the veterans.

What is the difference? They are all made up of people. They are all made

up of people. Medicare, yes, that is not 39 million people. Why not use that as a leverage to negotiate a fair price for your prescription medicine? It does not make sense not to do that. Any good businessman would do that.

Mr. Speaker, this is what we are trying to do with H.R. 664. I am sure they might have to raise the price. But let us let them raise their price in Mexico. Let us let them raise their price in Canada. Let us let them raise their price in Europe. Why should the American citizen, the senior pay the highest price for prescription drugs in the world? It does not make sense.

I am going to tell you when this thing comes down and I have got to choose on my right hand pharmaceutical companies, on my left hand the seniors, I will tell you who I am going to pick; I am going to pick those seniors, just like I believe the majority of this Congress will.

It is almost like the Patient's Bill of Rights. We could not get the bill passed. When that discharge petition was filed and the constituents back home started seeing who was not supporting them and they found out who their real friends were, guess what, that bill passed.

I have to believe that is going to happen right here. And I thank the gentleman from Maine (Mr. ALLEN) for doing this.

Mr. ALLEN. Mr. Speaker, those stories are legend. I have these letters from women who say I do not want my husband to know, but I am not taking my medication, because he is sicker than I am, and we cannot both afford to take the medications that our doctors tell us we have to take. It is a national scandal. We need to do something about it.

One of the people who has been working on this now steadily for the last couple of years is the gentleman from Arkansas (Mr. BERRY), who is a cochair with the gentleman from Texas (Mr. TURNER) and myself of the Prescription Drug Task Force in the Congress. And the gentleman from Arkansas (Mr. BERRY) has been terrific.

I thank the gentleman for his leadership on all of this.

Mr. BERRY. Mr. Speaker, I thank the gentleman from Maine (Mr. ALLEN). I want to also acknowledge his great leadership, not only for the United States Congress, but for the State of Maine. Of course, the gentleman from Texas (Mr. TURNER) and the gentleman from Mississippi (Mr. SHOWS) have done a great job also in moving this issue forward.

We have heard a lot of stories here this afternoon. Who we are talking about is the greatest generation that Tom Brokaw wrote so eloquently about, the people that were born and grew up during the Depression fought World War II and then built this country into the greatest Nation it has ever been.

They thought they were working hard, playing by the rules and going to be able to retire in a decent situation, but because of the incredible costs of prescription medicine only in the United States, they have been forced to deal with untenable situations in their own personal economics.

Each day in our congressional office, we hear from more and more seniors that have to choose between food and medicine. I think we should make the point that the retail pharmacies are not making this money. The retail pharmacies have done heroic work in trying to provide this product to our senior citizens and to other Americans at a fair price. They have kept their margins down. Many times they have sacrificed not only their own profit but their own economic well-being trying to provide this medicine to the people that need it.

Mr. Speaker, the prescription drug manufacturers are the people that are making this money. They are the most profitable companies in the world. They pay less taxes than any other business in this country. The American taxpayer pays for much of the research and development of the new products that we hear so much about.

The drug companies will tell you if we lose these massive profits, we will not be able to develop new products. We have heard that story before. When generic drugs were made legal in this country, they said you are going to destroy us. They have more than doubled their investment in research and development, because they get a patent on their product. They have an exclusive right to sell it for 20 years.

We know that that just simply is not true. The point that has already been made, and I thought made well, what good does it do to have a new product if you cannot afford to buy it? I think that is a very good point.

Our seniors are put in that position every day where they cannot afford to buy the product that they need to keep them alive. Then the manufacturers chooses to sell these same products all over the world. You go anyplace else in the world, it does not matter, you can buy it for half as much as you pay here, or a third as much, sometimes a tenth as much.

It is unbelievable to me that we would allow that to happen, that we just let that go on and on and on. Mr. Speaker, I am not against the drug companies making profits. I think we all want them to be successful. We want them to do very well. We want them to keep doing research and development.

They do a great job of it. We want them to make money, but not by taking the food from the mouths of a senior citizen that has worked hard, played by the rules and deserves a whole lot better, and we promised them a lot better.

It is time for us to do something about it. Seniors spend more on prescriptions than they do for hospital and doctor bills now. When Medicare was first brought into being, that was not the case, the great fear in health care was that you have a big hospital or doctor bill.

But in the day of the world marketplace and in the Internet, it is unbelievable that we have laws in place in this country to give the prescription drug manufacturers a captive market. Only in this country do they charge these outrageous prices.

Another point I would make is that inflation for prescription medicines is about 15 to 18 percent a year, 3 to 4 times as much as for the rest of the economy. And many of these prices that go up every year 15 to 18 percent are on products that were brought on to the market 50 years ago. They have been around almost as long as I have, some of them longer.

We still keep raising the price and raising the price for no good reason, except that they can get by with it, except that we allow it to happen, because we do not have a competitive marketplace.

Mr. Speaker, the seniors in the First Congressional District of Arkansas over and over ask me when are we going to get some relief. It is a heart-breaking thing, as my colleague from Maine can attest to, to have to face these seniors and say I do not know, we are working on it. That does not help these folks much when their drug bills are from \$200 to \$300 a month to over \$1,000 a month, and maybe their Social Security check is \$500; that does not do much for them.

I do not blame them when they look at me, like what are you talking about? I need some help right now. It is time to do something. I am so pleased that the Democratic Caucus decided it is time to do something. We are going to sign those discharge petitions. We are going to do something about this.

It is time for the United States Congress to do what is right, to move this issue forward and to treat our senior citizens with the respect and dignity and fairness that they have absolutely earned.

Mr. ALLEN. Mr. Speaker, very well said, I say to the gentleman from Arkansas (Mr. BERRY), very well said.

I turn now to the gentlewoman from Florida (Mrs. THURMAN) who has been working so hard on this issue working in the Committee on Ways and Means and in her own district to try to lower the costs of prescription drugs for seniors.

Mrs. THURMAN. Mr. Speaker, I want to thank the gentleman from Maine (Mr. ALLEN) for yielding. I would also like to have the gentleman from New York (Mr. CROWLEY) join in this because I know our time is very limited.

Mr. CROWLEY. I thank the gentlewoman.

Mrs. THURMAN. I do just want to say, we had a hearing in the Committee on Ways and Means on prescription drugs, and I will tell you if people are watching this tonight, maybe they will turn on C-SPAN when this hearing is replayed, because it gave us some very interesting new information or at least information that has been around that was kind of reiterated.

I think one of the big issues that I heard today is just on the whole issue of the R&D and what is happening. One of the things that they pointed out, if I can find it here, was something done by Merrill Lynch who actually said that, and under your bill, basically said the toughest proposal on the table in Washington, because it is the best benefit, because it gives seniors about a 40 percent break in their costs, said assumed would provide a 40 percent price break for all Medicare beneficiaries, would reduce drug industry sales revenue by 3.3 percent, because of the volume prices.

I think what the gentleman from New York (Mr. CROWLEY) will tell you, if he will just give me some time back and forth, I will yield, you are going to hear why from our constituents. These are such compelling stories. This is not a partisan debate.

We went to our constituents and said, please tell us what is happening to you. And I say to the gentleman from New York (Mr. CROWLEY), I would love to hear what some of his folks are saying.

Mr. CROWLEY. Mr. Speaker, I would like to thank the gentlewoman from Florida (Mrs. THURMAN). I call now the main man on this issue, the gentleman from Maine (Mr. ALLEN), he is the main man as we say back in New York on this issue.

□ 1730

I have a letter here from two constituents of mine, Don and Gert Schwartz from Long Island City. I will not go into their ages, but they are considerably older than I am. And he talks about the fact that he had to purchase for his wife Prilosec, a hundred tablets, \$394 dollars for just one prescription of Prilosec.

Somebody had a study done thanks to the help and aid of the office of the gentleman from California (Mr. WAXMAN). When you compare the prices between what people in New York and Queens and the Bronx are paying for prescription drugs and what they are paying just over the border in Canada, it is amazing. For the same drug in Canada, \$184; \$394 in New York. It is ridiculous. It is simply ridiculous.

Mrs. THURMAN. Mr. Speaker, it is ridiculous. Let me just give my colleagues some ideas of what happens when they get into the situation.

This is a letter, and I have not been able to ask them for permission to use this, so I am just going to kind of read an outset. "My father has threatened

to give up his medications just so my mother can continue taking hers. This would mean he would die in a very short time." That is another kind of compelling thing.

I have another one from a woman who has taken her mother, who had a stroke, in her house. So not only is she having to care for her and having to have somebody come in and care for her, she is also having to pick up her prescription drug because she has no benefit; and she says it is absolutely crippling them.

Mr. CROWLEY. Mr. Speaker, I have another example here from a gentleman in Middle Village in Queens, New York, another constituent. He has to purchase efudex. He paid \$104 in New York, which is the going rate. He did a lot of shopping around. His daughter brought back the same prescription for him when she was visiting Ireland, and she paid only \$13 for the two; and that is without any insurance whatsoever. The price of \$13 and go over to the other side of the Atlantic and it is \$104.

Again, just the constituents alone. We are grateful to do the studies. We do not have to do these studies to find out. We just listen to our constituents, and they will tell us exactly what these findings are saying. There is something wrong here in this country.

And the work that the gentleman from Maine (Mr. ALLEN) and the gentlewoman from Florida (Mrs. THURMAN) are doing to pass this bill, which is so important to the people of this country, I really do applaud them all and all those people in this Congress who are supporting this measure. It is really what the American people want to see happen right now.

Mrs. THURMAN. Mr. Speaker, another thing that is happening, and the gentleman from Maine (Mr. ALLEN) can tell us, too, and certainly from the area that he is from, I mean, I have been absolutely envious of what New England is looking at doing and I think probably precipitated by the work my colleague has done here in Congress, all of a sudden they are starting to get a lot of heat in the State legislatures to try to do something about this and pooling, which really goes back to what we are doing here.

Mr. CROWLEY. The New Yorkers are doing the same thing, as well.

Mrs. THURMAN. Right, you are doing it with them because of the amount of people you can bring together. But it is because this issue has been raised by people like the gentleman from Maine (Mr. ALLEN), who have said, enough is enough, and there just comes a saturation.

But do my colleagues know what is even harder in all of this? It is a moving target on the costs. The target keeps moving for these people. Their incomes are not going up. And all of a sudden one month they go to the pharmacist and the pharmacist says this

medicine, and here is a woman who is actually taking something to treat both advanced and early stage breast cancer, that is what the medicine is for, in May it was \$132.22. In December it was \$156.59. It is outrageous.

I do not know what is going on out there, but I tell you what, we are going to find out. I applaud the efforts, and I look forward to signing this petition tomorrow.

Mr. ALLEN. Mr. Speaker, I thank my colleagues and I thank all of the Members who have been here. Our mission is simple. We are trying to stop price discrimination and provide a Medicare prescription drug benefit, and we can do this. The Democratic Caucus is committed to those goals. If we can just get some Republicans on board, we can achieve it in this Congress.

Some seniors struggle monthly to buy medicine for themselves. Social Security payments rise with inflation, but drug prices have risen even more. Lanoxin, the most prescribed drug for older people, increased 15 percent from 1998 to 1999. More than 87 percent over 5 years.

I read conflicting statistics about drug prices. One editorial may say that prescription drugs Americans can already afford. They say the average cost of drugs is \$350 per American per year. But they do not tell that this price included the entire population, old and young alike.

Seniors at the low end of the income scale, transplant patients, and the disabled need drugs continually to stay alive. By bringing the Stark-Dingell and Allen-Turner-Shows bills to the floor we can begin the dialogue needed to move forward.

Nearly half of those on Medicare have incomes less than \$15,000 a year. A prescription drug benefit is what seniors on the low-income scale want and these two bills address those needs. We know we need to move forward in our discussions, and get these prescription drug bills on the House floor to discuss. We need to protect our elderly, Mr. Speaker.

Medicare should guarantee access to a voluntary prescription drug benefit and provide comprehensive coverage for seniors. Also, Medicare prescription drug benefit must not reduce access to other Medicare benefits.

I request that these two bills come to the floor so that we can all take part in a discussion on how to improve Medicare coverage, affordability, administration, and the quality of prescription drug access. Prescription drugs can prevent, treat, and cure more diseases than ever before. Prolonging and improving the quality of life. No one would design Medicare today without including coverage for prescription drugs.

For example, there is the case of a 70-year-old Durham, NC, widow with emphysema, high blood pressure, and arthritis whose monthly bills for Prilosec, Norvase, two inhalers, and nitroglycerin which has forced her daughter to take out a second mortgage on her home. (Testimony of Michael Hash, Deputy Administrator, Health Care Financing before the House Commerce Committee, Subcommittee on Health & Environment, Sept. 28, 1999.)

Only one in four Medicare beneficiaries or 24 percent has private sector coverage provided by former employers to retirees. I might point out, that the number of firms offering retiree health coverage dropped by 25 percent from 1994 to 1998 (Foster-Higgins research firm).

Currently, less than 1 in 10 Medicare beneficiaries has drug coverage from a supplemental Medigap plan. Costs for these policies are rising rapidly, by 35 percent between 1994 and 1998 according to Consumer Reports.

We need to talk about these two drug bills on the House floor today. The ranks of people of the age 65 will double to 70 million by the year 2030. On average, people over 65 fill between nine and a dozen prescriptions a year, compared with two or three for people between the ages of 25 and 44. These numbers are not hidden from the general population. They are in the Wall Street Journal. However, if the elderly do read and must make a choice between reading the Wall Street Journal and obtaining drugs to maintain daily life, perhaps, they are hidden from the population that is currently on Medicare.

I could go on, Mr. Speaker, but I feel that it is time to bring these bills to the floor. Therefore, I request the discharge of these two bills.

#### HMO REFORM AND CAMPAIGN FINANCE REFORM

The SPEAKER pro tempore (Mr. COOKSEY). Under the Speaker's announced policy of January 6, 1999, the gentleman from Iowa (Mr. Ganske) is recognized for 60 minutes as the designee of the majority leader.

Mr. GANSKE. Mr. Speaker, I want to speak about HMO reform and about campaign finance reform today. Let me start out with HMO reform.

A few years ago down in Texas, the Texas Legislature passed a series of HMO reform bills almost unanimously in their State legislature. These bills addressed issues like emergency room care. If you had a crushing chest pain and thought you were going to have a heart attack, you could go to the emergency room and then the HMO could not come back and say afterwards if the EKG was normal, well, we are not going to pay for this.

The Texas legislature addressed issues like access to specialists. They addressed issues like when an HMO would say we do not think that that treatment that your doctor and your specialist have recommended is medically necessary and then deny that care just arbitrarily.

So they held a big debate in Texas. This was now about 3 or 4 years ago. And the Texas legislature passed a series of bills, some of them almost unanimously, without dissenting vote I think in the Texas Senate and maybe with only two dissenting votes in the Texas House, sent those bills to the governor's desk, and he allowed them to become law.

At that time, the HMO industry in Texas said the sky would fall, the sky

would fall. You will see a plethora of lawsuits; you will see premiums go out of sight; you will see the HMO industry in Texas shrivel up and move away.

Well, what has been the actual result? The actual result has been that, since Texas passed its law, there have only been about four lawsuits filed in the last several years; and those were primarily when the HMOs did not follow the law. The premiums did not go up significantly. There were 30 HMOs in Texas when the bills were passed, and there are over 50 now. That law is working.

So we passed a bill here in the House that was modeled after that Texas legislation, legislation that Governor Bush, for instance, has said that he agrees with and thinks ought to be Federal law. We passed that bill. And, once again, the HMOs said, the sky will fall, the sky will fall; premiums will go out of sight; etcetera.

Well, we got a score back from the Congressional Budget Office on the cost of the bill that we passed here on the floor by a vote of 275-151. And over 5 years, the Congressional Budget Office said the cost of that legislation would cause premiums to go up about 4.1 percent total, nothing in the first year probably, and then maybe about 1 percent each year for about 4 years and that would be it.

The cost of that reflected in the average premium for a family would be about the cost of a Big Mac meal once a month. Not exactly the sky is falling, the sky is falling. In fact, the part of the bill that cost the most was the part that is designed to prevent lawsuits, and that was the internal and external reviews part.

So I would call my colleagues' attention to the Congressional Budget Office. But be careful, because the HMO industry in the past has said that these percentage increases are annual percentage increases. That is wrong. When we see 4 percent, okay, that is 4 percent cumulative over 5 years. So be careful on that.

Mr. SHAYS. Mr. Speaker, will the gentleman yield?

Mr. GANSKE. I yield to the gentleman from Connecticut.

Mr. SHAYS. Mr. Speaker, I have seen the gentleman from Iowa (Mr. Ganske) on the floor of the House so many times talking about this issue. And I have learned a lot. I have learned a tremendous amount, and it was ultimately why I was very happy to support his legislation.

I represent a district with a lot of Democrats, a lot of Republicans, a lot of conservatives, a lot of moderates and liberals. It is a very mixed district. But in one town meeting I had in Greenwich, Connecticut, which is pretty much a more conservative area of my district, I had a number of people at a town meeting. They were young. They were old. I could tell from the

very issues they were talking about that they were the whole range of the political spectrum. And I asked this question, I said, "How many of you think that if an HMO causes the injury or death of someone that they should be held accountable or liable?"

I expected about maybe two-thirds of the hands to go up. Every hand went up. In fact, in some cases both hands went up. And then there was story after story. And I also submitted to my constituents a questionnaire asking them about health care and there were various choices, and one of them was we should keep the health care system the way it is. Only 3.5 percent responded that we should keep it the way it is. This really kind of shocked me. Twenty-five percent wanted to eliminate HMOs.

Now, I am a strong supporter of health maintenance organizations, but to have 25 percent of the 15,000 people who responded to my questionnaire wanting to get rid of HMOs for me was a big wake-up call. And it just spoke volumes about how we need to do what is in the legislation that my colleague has championed. To be able to have a process that would encourage people to get the proper health care that they need without going through a litigation process makes eminent sense. But, in the end, there always has to be that final hammer to try to encourage sometimes proper behavior.

I want to thank my colleague for being such a fighter on this issue. And I know and I hope that we will eventually get to another issue that is near and dear to both him and me. But I appreciate what he has done for so long on this issue.

Mr. GANSKE. Mr. Speaker, I appreciate my colleague from Connecticut (Mr. SHAYS) joining me for this special order because I think that we are going to have some fun with some of these issues.

This is one of the reform issues that we are dealing with here in Congress. My colleague has been a leader on one of the other reform issues, and that is campaign finance reform; and I have been happy to work with him on that issue. I am glad that he is here. Because now that this issue, campaign finance reform, has really come to the front of the presidential campaigns, I hear things said by some candidates that make me concerned. It is almost like you could not be a Republican if you support campaign finance reform, even though there are a lot of Republicans who support campaign finance reform.

There are a lot of Republicans who support campaign finance reform, and I worked with the gentleman from Connecticut (Mr. SHAYS) on this issue all across the political spectrum. I have a pretty darn conservative voting record, and there are lots of other conservatives who have joined with him on